

Results increased yet again

PATRIZIA continues European growth successfully

- ◆ Operating income more than tripled to EUR 155.3 million (2014: EUR 50.2 million)
- ◆ Increase in assets under management by EUR 2.0 billion to EUR 16.6 billion
- ◆ Operating activities expanded to include European logistics division and presence in Spain
- ◆ Guidance for 2016 confirmed: increase in operating income to at least EUR 250 million and in assets under management by another EUR 2.0 billion expected
- ◆ Issuance of stock dividend planned in a ratio of 10:1

Augsburg, 17 March 2016. PATRIZIA Immobilien AG (ISIN DE000PAT1AG3) can look back on an outstanding fiscal year 2015. The operating income more than tripled to EUR 155.3 million and business activities were expanded to 15 European markets. “PATRIZIA’s business model has proven that it works successfully and profitably across Europe”, said Wolfgang Egger, CEO of PATRIZIA Immobilien AG. “We will continue to systematically pursue our growth strategy. The expansion of our European operations offers a considerable growth potential for our clients as well as for us.”

The strong growth in the result is driven by PATRIZIA’s very positive development. The constant increase in assets under management over the past few years is firstly reflected in increasing fee income from the management of these assets. Secondly, PATRIZIA generates profits from the sale of successfully managed investments which have increased in value – for example by the sale of SÜDEWO and last year’s acquisition and the subsequent sale of the Harald portfolio with around 13,500 apartments. This transaction will be closed in 2016.

Increase in assets under management driven by European growth

In 2015, the focus was once more on the expansion of international operations. Assets under management increased by 14% to EUR 16.6 billion. The growth of 41% in non-German assets to EUR 5.5 billion reflects the increasing importance of the international business. One example is PATRIZIA’s acquisition of the building hosting London’s famous “Madame Tussauds” waxworks at a price of EUR 484 million on behalf of a well-known Asian investor. The largest retail portfolio of 2015 worth EUR 346 million was acquired in the Netherlands. In addition, PATRIZIA established operations in Spain and set up a specialised division for European logistics investments last year.

Significant rise in transaction volume and fee income

Last year, the transaction volume totalled EUR 7.2 billion following EUR 4.1 billion in 2014. EUR 4.2 billion of the transactions was accounted for by acquisitions and EUR 3.0 billion by sales. Additionally, a positive valuation effect of EUR 0.8 billion was generated for the managed portfolio. Furthermore, fee income almost doubled to EUR 268.7 million compared to EUR 140.0 million in 2014. As expected, performance-related income climbed significantly due to the SÜDEWO sale to EUR 128.5 million (2014: EUR 19.7 million); however, management fees increased considerably to EUR 81.5 million (2014: EUR 68.1 million) and transaction-related revenues rose to EUR 58.7 million (2014: EUR 52.2 million).

Another substantial increase in result expected for 2016

For 2016, PATRIZIA expects a significant contribution to the result from the sale of the Harald portfolio. Operating income attributable to the shareholders of PATRIZIA Immobilien AG is expected at at least EUR 250 million after deduction of transaction related taxes for Harald. Moreover, European activities will be further expanded. With the organisational structure and international platform, the foundation for the successful future of PATRIZIA has been laid. "In 2016 and beyond, we will succeed in establishing PATRIZIA as one of the leading European real estate investment companies," emphasised Wolfgang Egger. Based on the trust institutional investors have already placed in PATRIZIA, the company expects a further increase in assets under management of around EUR 2.0 billion in the course of 2016.

The Managing Board and the Supervisory Board of PATRIZIA propose to the Annual General Meeting on 16 June 2016 to fully carry forward the unappropriated profit to the new account. These funds will be used to invest into PATRIZIA's continued, sustainable growth. Like in previous years and in order to further increase the liquidity of the company's share, new shares in a ratio of 10:1 shall be issued by means of a capital increase from company funds. The full annual report can be downloaded at www.patrizia.ag

About PATRIZIA Immobilien AG

PATRIZIA Immobilien AG has been active on the real estate market for more than 30 years. Currently, the company has 800 employees and is active as an investor and service provider in 15 European countries. PATRIZIA's range includes the purchase, management, value increase and sale of residential and commercial real estate over own licensed investment platforms. As one of the leading real estate investment companies in Europe PATRIZIA operates as a recognised business partner of large institutional investors and retail investors in all major European countries and covers the entire value chain. At present, the company manages real estate assets worth EUR 17 billion, primarily as a co-investor and portfolio manager for insurance companies, pension fund institutions, sovereign funds, savings and cooperative banks. For further information, please visit www.patrizia.ag.

The Managing Board
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